IN THE CLAIMS:

1. (Currently Amended) A computer-implemented method for determining a

compensation due an affiliate from a merchant for traffic to a merchant Web site that originates

from an affiliate Web site, a computer, on behalf of the merchant, the merchant performing

the steps of:

defining a plurality of compensation plans;

exposing at least one selected compensation plan selected ones of the plurality of

compensation plans to the affiliate, the at least one selected compensation plan exposed to the

affiliate exposed compensation plans being tailored to at least one of the affiliate and a product

or service offered by the merchant;

accepting a selection by the affiliate of at least one of the selected exposed compensation

plans, and

measuring traffic to the merchant Web site that originates from the affiliate Web site and

applying the measured traffic to the at least one compensation plan selected by the affiliate to

determine the compensation due to the affiliate.

2. (Original) The method of claim 1, wherein the plurality of compensation plans

includes a compensation plan in which the compensation due the affiliate varies according to a

predetermined date interval.

3. (Original) The method of claim 1, wherein the plurality of compensation plans

includes a compensation plan in which the affiliate is compensated according to a first

percentage rate of a predetermined measure until a first threshold quantity of the measure is

reached and thereafter the affiliate is compensated according to a second percentage rate of the

predetermined measure.

4. (Original) The method of claim 3, wherein the second percentage rate is applied

retroactively to compensate the affiliate according to the second percentage rate of the measure

for the traffic to the Merchant Web site prior to reaching the first threshold quantity of the

measure.

5. (Original) The method of claim 1, further including a step of defining a plurality

of product categories and wherein the plurality of compensation plans includes a compensation

plan in which the compensation due to the affiliate varies according to the defined product

categories.

6. (Original) The method of claim 1, wherein the traffic to the merchant Web site is

measured according to at least one predetermined measure, the at least one predetermined

measure being selected from a group including generated revenue, number of orders, number of

new customers, number of returning customers and click throughs.

7. (Original) The method of claim 6, wherein the compensation due to the affiliate

is determined according to at least one of a fixed value and a percentage of the at least one

predetermined measure.

8. (Original) The method of claim 7, wherein the percentage is one of fixed and

variable.

9. (Currently Amended) The method of claim 1, wherein the compensating step

eompensates the affiliate in one of a currency preferred by the affiliate.

10. (Original) The method of claim 1, wherein the compensation due to the affiliate

includes a bonus after a threshold quantity of a predetermined measure is reached.

11. (Original) The method of claim 1, wherein the compensation due the affiliate

includes non-monetary credits, a magnitude of which is determined by the at least one selected

compensation plans.

12. (Original) The method of claim 11, wherein the non-monetary credits are chosen

from among a group including travel miles, store credits and points redeemable for products

and/or services.

13. (Original) The method of claim 1, further including the steps of:

assigning a performance goal to the affiliate, and

periodically comparing a performance of the affiliate against the performance goal

assigned to the affiliate.

14. (Original) The method of claim 13, wherein the performance of the affiliate is

measured according to the traffic to the merchant Web site that originates from the affiliate Web

site.

15. (Original) The method of claim 1, wherein the measuring step is carried out over

a selectable interval that is independent of an accounting calendar.

16. (Canceled)

17. (Original) The method of claim 1, further including a step of assigning at least

one compensation plan to a sub-affiliate recruited by the affiliate, the affiliate being further

compensated based upon traffic to the merchant Web site originating from a Web site of the sub-

affiliate.

(Original) The method of claim 1, further including a step of paying the affiliate 18.

based upon the determined compensation, the paying step being carried out according to a pay

calendar that is selectable by the merchant.

(Original) The method of claim 1, further including the steps of: 19.

making the affiliate one of a plurality of members of a pay group;

assigning a pay calendar to the pay group, and

paying the plurality of members of the pay group according to the assigned pay calendar.

20. (Canceled)

21. (Original) The method of claim 1, further including, prior to the exposing step,

carrying out one of:

receiving an application from a potential affiliate and declining the potential affiliate or

accepting the potential affiliate as an affiliate based upon an evaluation of the received

application;

registering a potential affiliate as an affiliate upon completing a registration procedure,

and

acknowledging the affiliate upon receipt of predetermined authentication information.

22. (Original) The method of claim 1, further including a step of profiling the

affiliate for future customized compensation plans based upon the traffic to the merchant Web

site that originates from the affiliate Web site or the determined compensation.

23. (Original) The method of claim 1, wherein the traffic measuring step also

includes a step of measuring traffic to the merchant Web site that originates from a site other

than the affiliate Web site but whose first visit to the merchant Web site originated from the

affiliate Web site.

24. (Original) The method of claim 1, wherein further including a step of receiving

customer information from the affiliate, the received customer information being sufficient for

executing a customer purchase request at the merchant web site.

25. (Original) The method of claim 24, wherein the customer information includes

customer authentication and payment instrument information.

26. (Original) The method of claim 1, further including a step of setting up at least

one link to the merchant Web site on the affiliate Web site, the at least one link being associated

with the at least one selected compensation plan selected by the affiliate.

27. (Original) The method of claim 1, wherein the defining step defines

compensation plans that implement a sales strategy of the merchant.

28. (Original) The method of claim 1, further including the step of maintaining a

plurality of mass affiliates compensated by compensation plans that differ from the defined

plurality of compensation plans, the mass affiliates being managed by a third party.

29. (Currently Amended) A computer-implemented method for an affiliate to earn

compensation from a merchant for traffic to a merchant Web site that originates from an affiliate

Web site, a computer, on behalf of the affiliate, the affiliate performing the steps of:

accessing the merchant Web site;

OID-2000-056-01

reviewing a plurality of compensation plans exposed to the affiliate at the merchant Web

site and selecting at least one of the plurality of compensation plans, each of the compensation

plans having a link to the merchant Web site associated therewith;

providing at least one link to the merchant Web site on the affiliate Web site, the

provided at least one link being associated with the selected at least one of the plurality of

compensation plans, and

receiving compensation from the merchant according to the selected at least one of the

plurality of compensation plans and the traffic to the merchant Web site that originates from the

at least one link on the affiliate Web site.

30. (Original) The method of claim 29, wherein the plurality of compensation plans

includes a compensation plan in which the compensation received by the affiliate varies

according to a predetermined date interval.

31. (Original) The method of claim 29, wherein the plurality of compensation plans

includes a compensation plan in which the affiliate is compensated according to a first

percentage rate of a predetermined measure until a first threshold quantity of the measure is

reached and thereafter the affiliate is compensated according to a second percentage rate of the

predetermined measure.

32. (Original) The method of claim 31, wherein the second percentage rate is applied

retroactively to compensate the affiliate according to the second percentage rate of the measure

for the traffic to the Merchant Web site prior to reaching the first threshold quantity of the

measure.

10

33. (Original) The method of claim 29, further including a step of defining a plurality

of product categories and wherein the plurality of compensation plans includes a compensation

plan in which the compensation received by the affiliate varies according to the defined product

categories.

34. (Original) The method of claim 29, wherein the traffic to the merchant Web site

is measured according to at least one predetermined measure, the at least one predetermined

measure being selected from a group including generated revenue, number of orders, number of

new customers, number of returning customers and click throughs.

35. (Original) The method of claim 34, wherein the compensation received by the

affiliate is determined according to at least one of a fixed value and a percentage of the at least

one predetermined measure.

36. (Original) The method of claim 35, wherein the percentage is one of fixed and

variable.

37. (Original) The method of claim 29, wherein the received compensation is in a

currency preferred by the affiliate.

38. (Original) The method of claim 29, wherein the compensation received by the

affiliate includes a bonus after a threshold quantity of a predetermined measure is reached.

39. (Original) The method of claim 29, wherein the compensation received by the

affiliate includes non-monetary credits, a magnitude of which is determined by the at least one

selected compensation plans.

40. (Original) The method of claim 39, wherein the non-monetary credits are chosen

from among a group including travel miles, store credits and points redeemable for products

and/or services.

41. (Original) The method of claim 29, further including a step of recruiting a sub-

affiliate, the received compensation including compensation for traffic to the merchant Web site

originating from a Web site of the sub-affiliate.

42. (Original) The method of claim 29, wherein the receiving step is carried out

according to a pay calendar that is selectable by the merchant.

43. (Original) The method of claim 29, wherein the accessing step includes one of:

submitting an application as a potential affiliate to the merchant and only carrying out the

reviewing, providing and receiving steps upon acceptance by the Web merchant of the submitted

application;

registering as an affiliate to the Web merchant upon completing a registration procedure,

and

logging in to the merchant Web site as an existing affiliate upon submission to the

merchant Web site of predetermined authentication information.

44. (Original) The method of claim 29, wherein the received compensation includes

compensation for traffic to the merchant Web site that originates from a site other than the

affiliate Web site but whose first visit to the merchant Web site originated from the affiliate Web

site.

12

(Original) The method of claim 29, wherein further including a step of providing 45.

information on customers of the affiliate site to the merchant Web site, the provided customer

information being sufficient for the merchant to execute a customer purchase request at the

merchant web site.

(Original) The method of claim 45, wherein the customer information includes 46.

customer authentication and payment instrument information.

47. (Currently Amended) A computer system configured for determining a

compensation due an affiliate from a merchant for traffic to a merchant Web site that originates

from an affiliate Web site, comprising:

at least one processor;

at least one data storage device;

a plurality of processes spawned by said at least one processor, the processes including

processing logic for:

defining a plurality of compensation plans;

exposing at least one selected compensation plan selected ones of the plurality of

compensation plans to the affiliate, the at least one selected compensation plan exposed to the

affiliate exposed compensation plans being tailored to at least one of the affiliate and a product

or service offered by the merchant;

accepting a selection by the affiliate of at least one of the selected exposed compensation

plans, and

measuring traffic to the merchant Web site that originates from the affiliate Web site and

applying the measured traffic to the at least one compensation plan selected by the affiliate to

determine the compensation due to the affiliate.

48. (Original) The computer system of claim 47, wherein the plurality of

compensation plans includes a compensation plan in which the compensation due the affiliate

varies according to a predetermined date interval.

49. (Original) The computer system of claim 47, wherein the plurality of

compensation plans includes a compensation plan in which the affiliate is compensated

according to a first percentage rate of a predetermined measure until a first threshold quantity of

the measure is reached and thereafter the affiliate is compensated according to a second

percentage rate of the predetermined measure.

50. (Original) The computer system of claim 49, wherein the second percentage rate

is applied retroactively to compensate the affiliate according to the second percentage rate of the

measure for the traffic to the Merchant Web site prior to reaching the first threshold quantity of

the measure.

51. (Original) The computer system of claim 47, further including a step of defining

a plurality of product categories and wherein the plurality of compensation plans includes a

compensation plan in which the compensation due to the affiliate varies according to the defined

product categories.

52. (Original) The computer system of claim 47, wherein the traffic to the merchant

Web site is measured according to at least one predetermined measure, the at least one

predetermined measure being selected from a group including generated revenue, number of

orders, number of new customers, number of returning customers and click throughs.

53. (Original) The computer system of claim 52, wherein the compensation due to

the affiliate is determined according to at least one of a fixed value and a percentage of the at

least one predetermined measure.

54. (Original) The computer system of claim 53, wherein the percentage is one of

fixed and variable.

55. (Currently Amended) The computer system of claim 47, wherein the

compensating step eempensate compensates the affiliate in one of a currency preferred by the

affiliate.

56. (Original) The computer system of claim 47, wherein the compensation due to

the affiliate includes a bonus after a threshold quantity of a predetermined measure is reached.

57. (Original) The computer system of claim 47, wherein the compensation due the

affiliate includes non-monetary credits, a magnitude of which is determined by the at least one

selected compensation plans.

58. (Original) The computer system of claim 11, wherein the non-monetary credits

are chosen from among a group including travel miles, store credits and points redeemable for

products and/or services.

59. (Original) The computer system of claim 47, further including the steps of:

assigning a performance goal to the affiliate, and

periodically comparing a performance of the affiliate against the performance goal

assigned to the affiliate.

60. (Original) The computer system of claim 59, wherein the performance of the

affiliate is measured according to the traffic to the merchant Web site that originates from the

affiliate Web site.

61. (Original) The computer system of claim 47, wherein the measuring step is

carried out over a selectable interval that is independent of an accounting calendar.

62. (Canceled)

63. (Original) The computer system of claim 47, further including a step of assigning

at least one compensation plan to a sub-affiliate recruited by the affiliate, the affiliate being

further compensated based upon traffic to the merchant Web site originating from a Web site of

the sub-affiliate.

64. (Original) The computer system of claim 47, further including a step of paying

the affiliate based upon the determined compensation, the paying step being carried out

according to a pay calendar that is selectable by the merchant.

65. (Original) The computer system of claim 47, further including the steps of:

making the affiliate one of a plurality of members of a pay group;

assigning a pay calendar to the pay group, and

paying the plurality of members of the pay group according to the assigned pay calendar.

66. (Canceled)

(Original) The computer system of claim 47, further including, prior to the 67.

exposing step, carrying out one of:

receiving an application from a potential affiliate and declining the potential affiliate or

accepting the potential affiliate as an affiliate based upon an evaluation of the received

application;

registering a potential affiliate as an affiliate upon completing a registration procedure,

and

acknowledging the affiliate upon receipt of predetermined authentication information.

68. (Original) The computer system of claim 47, further including a step of profiling

the affiliate for future customized compensation plans based upon the traffic to the merchant

Web site that originates from the affiliate Web site or the determined compensation.

69. (Original) The computer system of claim 47, wherein the traffic measuring step

also includes a step of measuring traffic to the merchant Web site that originates from a site other

than the affiliate Web site but whose first visit to the merchant Web site originated from the

affiliate Web site.

70. (Original) The computer system of claim 47, wherein further including a step of

receiving customer information from the affiliate, the received customer information being

sufficient for executing a customer purchase request at the merchant web site.

71. (Currently Amended) The computer system of elaim 24 claim 70, wherein the

customer information includes customer authentication and payment instrument information.

72. (Original) The computer system of claim 47, further including a step of setting up at least one link to the merchant Web site on the affiliate Web site, the at least one link being associated with the at least one selected compensation plan selected by the affiliate.

- 73. (Original) The computer system of claim 47, wherein the defining step defines compensation plans that implement a sales strategy of the merchant.
- 74. (Original) The computer system of claim 47, further including the step of maintaining a plurality of mass affiliates compensated by compensation plans that differ from the defined plurality of compensation plans, the mass affiliates being managed by a third party.